

APR 29 1981 - 12 20 PM

LETTER OF TRANSMITTAL

INTERSTATE COMMERCE COMMISSION

Secretary of the Interstate
Commerce Commission
Constitution and 12th Street, N.W.
Washington, D.C. 20423

RECORDATION NO. 9790-C Filed 1425

APR 29 1981 - 12 20 PM

INTERSTATE COMMERCE COMMISSION

Dear Sir:

Pursuant to Part 1116 of the regulations of the Interstate Commerce Commission, 49 CFR Part 1116, I hereby request that you record under 49 U.S.C. §11303 the following documents:

1. Equipment Lease dated as of May 30, 1980 between The Connecticut Bank and Trust Company, not in its individual capacity but solely as Trustee, and Bessemer and Lake Erie Railroad Company;
2. Security Agreement - Trust Deed Supplement dated as of May 30, 1980 between The Connecticut Bank and Trust Company, not in its individual capacity but solely as Trustee, and First Security Bank of Utah, N.A., not in its individual capacity but solely as Security Trustee (Supplement to Security Agreement - Trust Deed filed and recorded on October 24, 1978 as Doc. No. 9790).

The original and one counterpart of each of the above-listed documents are enclosed herewith for filing purposes.

Lessee

Bessemer and Lake Erie Railroad Company
600 Grant Street
P.O. Box 536
Pittsburgh, Pennsylvania 15230

Lessor

The Connecticut Bank and Trust Company
One Constitution Plaza
Hartford Connecticut 06115
Attention: Corporate Trust Department

No. 1-119A106
Date APR 29 1981
Fee \$ 60.00
By ICC Washington, D. C.

RECEIVED

APR 29 12 21 PM '81

FILED

Geo P. Cullen
Christy

The equipment covered by the aforesaid Leases and Security Agreement Supplements are 500 covered hopper cars. The A.A.R. mechanical designation of the equipment is "H250" and the car numbers are 50300 to 50799, both inclusive.

The original and all extra copies of the enclosed documents should be returned to Mr. Donn Beloff of Schiff Hardin & Waite, 1101 Connecticut Avenue, N.W., Washington, D.C. 20036.


A \$60.00 check, payable to the Interstate Commerce Commission, also is enclosed to cover the required recordation fee.

I am an officer of Bessemer and Lake Erie Railroad Company and have knowledge of the matters set forth herein.

Very truly yours,

BESSEMER AND LAKE ERIE
RAILROAD COMPANY

By


Vice President-Finance

Dated: April 1, 1981

Interstate Commerce Commission
Washington, D.C. 20423

4/29/81

OFFICE OF THE SECRETARY

Donn Beloff
Schiff Hardin & Waite
1101 Conn. Ave., N.W.
Washington, D.C. 20036

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 4/29/81 at 12:30pm, and assigned re-recording number(s). 9790-B & 9790-C

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

APR 29 1981 - 12 20 PM

INTERSTATE COMMERCE COMMISSION
SECURITY AGREEMENT - TRUST DEED SUPPLEMENT

SECURITY AGREEMENT - TRUST DEED SUPPLEMENT dated as of May 30, 1980 (this "Supplement") from THE CONNECTICUT BANK AND TRUST COMPANY, a Connecticut banking corporation, not individually but solely as trustee (the "Debtor") under a Trust Agreement dated as of June 1, 1978, as amended (the "Trust Agreement") with Hillman Manufacturing Company, a Pennsylvania corporation (the "Trustor"), the Debtor's post office address being One Constitution Plaza, Hartford, Connecticut 06115, Attention: Corporate Trust Department, to FIRST SECURITY BANK OF UTAH (the "Secured Party"), whose post office address is 79 South Main Street, Salt Lake City, Utah, 84111, Attention: Corporate Trust Department;

RECITALS

A. The Debtor and the Secured Party have executed and delivered a Security Agreement - Trust Deed dated as of June 1, 1978 (the "Security Agreement"). The Security Agreement was filed and recorded with the Interstate Commerce Commission ("ICC") under 49 U.S.C. §11303 on October 24, 1978 as Document No. 9790.

B. The Debtor entered into an Equipment Lease dated as June 1, 1978 (the "Rock Lease") providing for the lease to William M. Gibbons, Trustee of the Property

of Chicago, Rock Island and Pacific Railroad Company ("Gibbons") of 500 open-top hopper cars described more particularly in Schedule A to the Rock Lease. Pursuant to a Termination Agreement dated May 29, 1980 (the "Termination Agreement") between Gibbons and the Debtor, the Rock Lease was terminated. The Termination Agreement was approved in Order No. 753 dated June 2, 1980 by the United States District Court for the Northern District of Illinois.

C. The Debtor has executed and delivered an Equipment Lease dated as of May 30, 1980 (the "Lease") providing for the lease of the equipment formerly subject to the Rock Lease to Bessemer and Lake Erie Railroad Company, a Pennsylvania corporation (the "Lessee"). The equipment described more particularly in Schedule A to the Lease (collectively referred to as the "Equipment" or individually as an "Item" or "Item of Equipment") has been remarked in accordance with the Lease, and a Redesignation of Car Numbers dated as of June 11, 1980 was filed and recorded with the ICC under 49 U.S.C. §11303 on June 17, 1980 as Document No. 9737-B.

D. In order to secure the Debtor's 10.25% Secured Notes (the "Notes"), the Debtor intends to assign all its right, title, and interest in the Equipment and the Lease and grant a security interest in the same to the Secured Party.

NOW, THEREFORE, in consideration of the premises and mutual agreements herein contained and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The Debtor in consideration of the premises and of the sum of Ten Dollars received by the Debtor from the Secured Party and other good and valuable consideration, receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of and interest on the Notes according to their tenor and effect, and to secure the payment of all other indebtedness hereby secured and the performance and observance of all covenants and conditions in the Notes, the Security Agreement, this Supplement, and the Participation Agreement (as defined in the Lease) contained, does hereby convey, warrant, mortgage, assign, pledge and grant the Secured Party, its successors in trust and assigns, a security interest in, all and singular of the Debtor's right, title and interest in and to the properties, rights, interests and privileges more fully described in Sections 1.1, 1.2 and 1.3 of the Security Agreement (all of which properties hereby mortgaged, assigned and pledged or intended so to be are hereinafter collectively referred to as the "Collateral"), subject always to the limitations set forth in Section 1.4 thereof and to the Excepted Rights in Collateral (as defined in Section 1.6 of the Security Agreement).

2. Section 1.1 of the Security Agreement is deleted in its entirety and in place thereof the following is substituted:

"1.1. Equipment Collateral. Collateral includes the railroad equipment described in Schedule A attached hereto and made a part hereof (collectively the "Equipment" and individually an "Item" or "Item of Equipment") constituting the equipment formerly leased under the Rock Lease and now leased under the Lease, together with all accessories, equipment, parts and appurtenances appertaining or attached to any of the Equipment hereinabove described, whether now owned or hereafter acquired, except such thereof as remain the property of the Lessee under the Lease, and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any and all of said Equipment, except such thereof as remain the property of the Lessee under the Lease, together with all the rents, issues, income, profits and avails therefrom."

3. Section 1.3 of the Security Agreement is deleted in its entirety.

4. The figure "1.3" in line 7 of Section 2.7 of the Security Agreement is hereby deleted.

5. Subparagraph (c) of Section 5.1 of the Security Agreement is hereby deleted.

6. The entire first paragraph of subparagraph (a) of Section 5.3 of the Security Agreement is hereby deleted, and in place thereof the following is substituted:

"5.3. Certain Limitations on
the Rights of the Secured Party Upon
Default and Termination of the Lease.

(a) In the event of the occurrence of an Event of Default arising under Section 5.1(b) hereof resulting in a termination of the Lease, the Secured Party agrees that it will not exercise any remedy under this Security Agreement for a period of 120 days (the "Grace Period") from and after the date of such termination provided that:"

7. The phrase "pursuant to Section 13.2 of the Lease" following the word "Lessee" in line 3 of subsection (iii) of subparagraph (a) of Section 5.3 of the Security Agreement is hereby deleted.

8. Subsection (iv) of subparagraph (a) of Section 5.3 of the Security Agreement is hereby deleted.

9. The last full paragraph of subparagraph (b) of Section 5.3 of the Security Agreement on page 16 thereof is hereby deleted in its entirety.

10. The figure "180" in line 4 of subsection (iii) of subparagraph (b) of Section 5.3 of the Security Agreement on page 17 thereof is hereby deleted, and in place thereof the figure "120" is substituted.

11. Except as herein expressly modified, all of the terms and provisions of the Security Agreement shall remain in full force and are hereby ratified and confirmed.

12. It is expressly understood and agreed by and between the Debtor, the Secured Party, and the Trustor and their respective successors and assigns that this Supplement is executed by The Connecticut Bank and Trust Company,

not individually or personally but solely as Trustee under the Trust Agreement in the exercise of the power and authority conferred and vested in it as such Trustee, that each and all of the representations, warranties, undertakings and agreements herein made on the part of the Debtor are each and every one of them made and intended not as personal representations, warranties, undertakings and agreements by The Connecticut Bank and Trust Company or the Trustor, or for the purpose or with the intention of binding The Connecticut Bank and Trust Company or the Trustor personally, but are made and intended for the purpose of binding only the Trust Estate (as defined in the Trust Agreement), that this Supplement is executed and delivered by The Connecticut Bank and Trust Company solely in the exercise of the powers expressly conferred upon The Connecticut Bank and Trust Company as Trustee under the Trust Agreement, that actions taken by the Debtor pursuant to its obligations hereunder may, in certain instances, be taken by the Debtor only upon specific authority of the Trustor, that nothing herein contained shall be construed as creating any liability on The Connecticut Bank and Trust Company or the Trustor, individually or personally, or any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, The Connecticut Bank and Trust Company or the Trustor, to perform any covenant

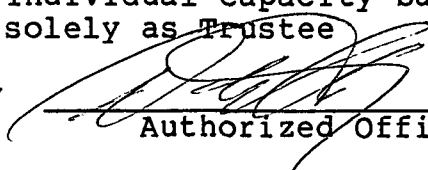
either express or implied contained herein, all such liability, if any, being expressly waived by the Secured Party and by each and every person now or hereafter claiming by, through or under the Secured Party, and that so far as The Connecticut Bank and Trust Company or the Trustor, individually or personally is concerned, the Secured Party and any person claiming by, through or under the Secured Party shall look solely to the Trust Estate for the performance of any obligation under this Supplement; provided that nothing in this Section shall be construed to limit in scope or substance those representations and warranties, if any, of The Connecticut Bank and Trust Company made expressly in its individual capacity set forth in the Participation Agreement, the Supplemental Participation Agreement (as defined in the Lease), and the Security Agreement. The term "Debtor" as used in this Supplement shall include any trustee succeeding The Connecticut Bank and Trust Company as Trustee under the Trust Agreement or the Trustor if the Trust created thereby is revoked. Any obligation of the Debtor hereunder may be performed by the Trustor, and any such performance shall not be construed as revocation of the Trust created by the Trust Agreement. Nothing contained in this Supplement shall restrict the operation of the provisions of the Trust Agreement with respect to its revocation or the resignation or removal of the Trustee thereunder.

13. This Supplement may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original but all together only one Supplement.

IN WITNESS WHEREOF, the parties hereto have caused this Supplement to be executed by their respective officers thereunder duly authorized and the corporate seals to be hereto affixed as of the day and year first above written.

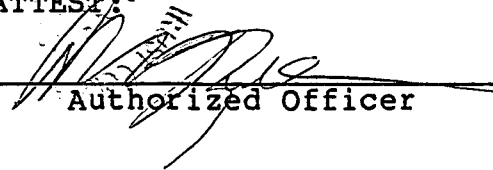
THE CONNECTICUT BANK AND
TRUST COMPANY, not in its
individual capacity but
solely as Trustee

By


Authorized Officer

[SEAL]

ATTEST:


Authorized Officer

FIRST SECURITY BANK
OF UTAH, N.A.,
not in its individual capacity
but solely as Security Trustee

By


Authorized Officer

[SEAL]

ATTEST:


Authorized Officer

STATE OF CONNECTICUT)
) SS
COUNTY OF HARTFORD)

On this 14th day of April, 1980, before
me personally appeared DONALD E. SMITH, to me personally
known, who being by me duly sworn, says that he is an author-
ized officer of THE CONNECTICUT BANK AND TRUST COMPANY,
that one of the seals affixed to the foregoing instrument
is the corporate seal of said corporation, that the instru-
ment was signed and sealed on behalf of said corporation
by authority of its Board of Directors, and he acknowledged
that the execution of the foregoing instrument was the
free act and deed of said corporation.

Sherree M. Daniels
Notary Public

[NOTARIAL SEAL]

My commission expires:
SHEREE M. DANIELS
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1985

STATE OF UTAH)
)
COUNTY OF SALT LAKE) SS

On this 23rd day of April, 1988, before me personally appeared JOHN R. SAGER, to me personally known, who being by me duly sworn, says that he is an authorized officer of FIRST SECURITY BANK OF UTAH, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said national banking association, that the instrument was signed and sealed on behalf of said national banking association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.

Randy R. Murchant
Notary Public

[NOTARIAL SEAL]

My commission expires: 2-8-82